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Agenda Item #6a – LAFCO Quarterly Budget Update



February 8, 2006

TO: Local Agency Formation Commission

FROM: Executive Officer *gc*
Assistant Executive Officer

SUBJECT: 6 - Month Budget Report

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Attached is a budget report for the first six months (July through December) of Fiscal Year 2005-2006. Budget updates are provided to the Commission to allow tracking of agency costs and revenues throughout the fiscal year. For the first six months of FY 2005-2006, overall revenues received are at approximately 100% of the budget for the year. This includes 100% of the LAFCO apportionment and 126% of the projected revenue from filing fees.

Overall expenses are at 49% of the budget; the targeted level is approximately 50%. Four individual line items substantially exceed targeted levels. The first, "Meeting Expenses", which includes conference costs, is 79% expended. Since the CALAFCO conference occurs during the first fiscal quarter of the year, this line item will remain relatively static for the remainder the year.

The second line item which exceeds the targeted level is "Public Noticing" which is now at 106% of the projected budget amount. This is partially the result of costs associated with the proposed Southwest Anaheim island annexation which was terminated during the protest proceedings. "Postage and Delivery" costs are at 91% of targeted levels and are largely the result of pre-payment of postage. Staff has implemented a plan to reduce overall postage costs for the monthly LAFCO mail out packages by making all staff reports available to outside persons and agencies through our agency website.

The fourth item which exceeds the targeted level is "Communications" which is now at 102% of the targeted level. Communications covers all telephone costs for the agency. Increases in telephone charges over the previous year were not fully anticipated during the formulation of the FY 05-06 budget.

The next budget update is scheduled for May 2006.

Local Agency Formation Commission Orange County

Profit & Loss Budget vs. Actual

July 2005 - December 2005

	July 05 - Dec 05	Budget for Year	% of Budget
Revenue			
LAFCO Apportionment	986,916.54	986,775.00	100%
Filing Fees	22,650.00	18,000.00	126%
Misc Revenue	465.55	0.00	0%
Interest & Dividends	10,301.95	14,000.00	74%
Total Revenue	1,020,334.04	1,018,775.00	100%
Expense			
Wages & Benefits	339,790.92	702,322.00	48%
Communications	5,790.50	5,700.00	102%
County Charges	3.46	3,500.00	0%
General Liability Insurance	5,435.89	15,841.00	34%
Maintenance-Building	1,247.05	4,300.00	29%
Membership	2,497.85	10,000.00	25%
Municipal Service Reviews	2,249.00	68,000.00	3%
Office Equipment/Supplies	10,133.87	20,000.00	51%
Professional Services			
Legal	20,638.07	60,000.00	34%
Accounting/Audit	12,326.50	30,000.00	41%
Human Resources	0.00	10,000.00	0%
Mapping	7,068.75	40,000.00	18%
Other Professional Services	72,231.11	0.00	0%
Investment Fees	64.55	300.00	22%
Postage/Delivery	2,000.00	2,200.00	91%
Public Noticing	6,352.00	6,000.00	106%
Equipment Leases	0.00	8,681.00	0%
Rents/Maintenance	19,082.74	31,845.00	60%
Special Department Expense	7,400.00	25,000.00	30%
Transportation/Travel	12,124.72	25,000.00	48%
Meeting Expenses	6,368.90	8,100.00	79%
Total Expenditures	532,805.88	1,076,789.00	49%
Net Income	487,528.16	0.00	100%